

July 9, 1999

## **CBO: The Kennedy Bill (S. 6) Is a \$72 Billion Hidden Tax Increase**

Beginning July 12, the Senate will debate the "Patients' Bill of Rights Act" (S. 6), sponsored by Senators Daschle and Kennedy. Senator Kennedy claims his bill would cost "less than a Big Mac." However, the Congressional Budget Office (CBO) estimates S. 6 would impose costs on the private sector totaling \$72 billion over five years.

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### **TOTAL COST TO PRIVATE SECTOR OF THE PATIENTS' BILL OF RIGHTS ACT (S. 6)**

	By Fiscal Year, in Millions of Dollars					
	2000	2001	2002	2003	2004	2000-04
Provisions in Title I*	4,900	10,500	14,900	18,800	23,100	72,000

SOURCE: Congressional Budget Office

*(Note: Figures include cost of expanded liability, which CBO does not consider a mandate. Nonetheless, S. 6 mandates that patients buy the protection of trial lawyers, which CBO indicates will increase premiums. CBO estimates the cost of S. 6's non-liability mandates to be \$56 billion over five years.)*

Washington calls this a "private sector mandate." The rest of America calls it a tax increase. Instead of writing a check to the IRS, Americans will pay this tax as part of their health insurance premiums every month.

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